NSC BRIEFING

27 August 1953

#### IMMEDIATE PROSPECTS IN IRAN

- I. Prime Minister Zahedi is moving rapidly to confirm his control:
  - A. He has appointed new cabinet ministers, army officials and provincial governors.
  - B. His appointments are as experienced and as capable as average Iranian officials.
  - C. Some regret is expressed that new blood was not brought into top ranks.
  - D. Zahedi assumed post of defense, interior, foreign affairs and post and telegraph.

# II. Zahedi apparently hopes to establish himself with minimum use of force:

- A. He has opposed blanket imposition of martial law.
- B. Left decision to declare martial law up to local commanders.
- C. He has appealed to Foreign Ministry officials to remain on the job.

### III. Restoration of Majlis and Senate is expected:

- A. Position of Majlis is unclear, since it does not have a quorum.
- B. Shah has promised elections as soon as electoral law is drafted.
- C. Senate, abolished in October 1952 probably will be re-established.

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IV. Tudeh will be ruthlessly suppressed:

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- C. Two leaders of Communist-front organizations have been arrested in Tehran.
- D. Tehran military governor has announced campaign against the party.

### V. Position of the tribes is not yet clear:

- A. Qashqai tribe was pro-Mossadeq.
- B. This tribe seized local gendarmerie post but this may be flash in the pan.
- C. Tribes can never act in concert and antigovernmental action by one or two would be troublesome but not dangerous.
- D. Zahedi has offered to restore weapons seized from tribes by Mossadeq's government.

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# VI. The new government may stand or fall on its handling of economic and financial problems:

- A. Zahedi has promised to settle the Anglo-Iranian oil dispute.
- B. However, he has publicly stated that he will not grant the British any compensation.
- C. Oil nationalization will not be reversed.
- D. Zahedi is inclined to be anti-British and cannot risk a quick settlement.

E. He is expected to be more flexible and realistic in his approach than Mossadeq.

### VII. Iranian-Soviet relations will be formal but friendly:

- A. Bipartite negotiations in Tehran have been temporarily suspended by Iran.
- B. Talks may be resumed if USSR desires.
- C. Any Iranian government has an interest in settling Iranian-Soviet differences.
- D. Under present circumstances it is not likely that the two governments will be able to reach a significant settlement.

### VIII. Iranian-American relations expected to improve:

- A. Zahedi is sympathetic to American objectives in Iran.
- B. Work of military missions and Point IV program will probably be facilitated.
- C. Zahedi is expected to ask for US aid.
- D. Shah has already announced that Iran needs immediate financial help from any source.

# IX. Iranian-British relations will not undergo any sudden change:

- A. Iran may be willing to re-establish diplomatic relations as a prelude to oil talks.
- B. No close approach is possible until oil dispute is settled on mutually satisfactory terms.